



OLR BACKGROUNDER: SUMMARY OF SENATE BILL 475

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INTERLOCAL AGREEMENTS

The law allows municipalities jointly to perform any function they can perform on their own under any statute, special act, or charter. It allows them to do so by adopting an agreement the same way they adopt ordinances or budgets ([CGS § 7-339b](#)).

The law allows municipalities that enter into interlocal agreements to consolidate dispatch services to establish a governing board ([CGS § 7-148mm](#)).

ISSUE

Summary of Senate Bill 475—An Act Concerning Mutual Consolidation of Dispatch Facilities in New London, East Lyme and Waterford.

SUMMARY

This bill allows East Lyme, New London, and Waterford to consolidate dispatch services by establishing a quasi-public agency for that purpose. In doing so, it provides these towns an alternative to the statutory mechanism for consolidating municipal services under an interlocal agreement.

The bill allows the three towns to establish, by concurrent ordinances, a regional dispatch system as a state quasi-public agency to provide regional dispatching services. To this end, the bill gives the authority (1) dispatch powers, including all the powers, rights, duties, and obligations of a municipal dispatch authority or regional dispatch authority and (2) general broader powers, including the power to “take land by condemnation” (i.e., eminent domain).

It stipulates that its provisions must be liberally construed to enable the authority to carry out its assigned responsibilities.

A board consisting of three members from each member municipality must manage the authority’s affairs.

A municipality's decision to join the authority is not a subject of collective bargaining, but the impact of the decision on wages, hours, and other employment conditions is a subject of collective bargaining.

The authority and its projects and property are exempt from taxes, except for estate and gift taxes. But it may arrange to make payment in lieu of taxes (PILOT) to a town for property owned by it or managed on its behalf.

The bill takes effect October 1, 2015.

EXISTING LAW AND DISPATCH SERVICES

By law, towns may enter into interlocal agreements to perform any function that each town may perform separately under law ([CGS § 7-339b](#)).

Existing law allows municipalities (towns, cities, boroughs, consolidated towns and cities, and consolidated towns and boroughs) that enter into interlocal agreements to consolidate dispatch services to establish a governing board ([CGS § 7-148mm](#)).

Each municipality that is a party to the dispatch services agreement must be represented on the governing board. The municipality's legislative body must appoint, or prescribe how to appoint, the representatives and prescribe their qualifications, terms of office, and compensation, if any, subject to applicable provisions of the agreement. The agreement must outline the general powers and authority of the board, which has only those powers specifically provided to municipalities pertaining to dispatch services by law, charter, or special act.

CREATION OF DISPATCH AUTHORITY UNDER THE BILL (§ 2)

Adoption of Ordinances

The bill allows East Lyme, London, and Waterford to adopt concurrent ordinances creating a new, or designating an existing, dispatch authority as their regional dispatch authority. It (1) designates this authority as a "body corporate and politic" (i.e., a quasi-public authority) and a political subdivision of the state established and created to perform an essential public and government function and (2) gives the authority all the rights, duties, powers, and obligations of a municipal or a regional dispatch authority. (Neither the bill, statutes, nor regulations define "municipal dispatch authority" or "regional dispatch authority.")

GOVERNING BOARD (§ 2)

The bill stipulates that the authority's affairs must be managed by a board. Each member municipality must have three representatives on the board, either appointed by the town's chief executive officer or as provided by ordinance.

The terms of one-third of each municipality's initial appointments expire one year after the date of appointment; the terms of one-third expire two years after appointment; and the terms of one-third of the initial appointments expire three years after appointment. All subsequent appointments are for three years.

The member municipalities must, by concurrent ordinances, determine how to set the board members' compensation, if any.

POWERS OF DISPATCH AUTHORITY (§ 3)

The bill authorizes the dispatch authority to:

1. plan, design, finance, construct, manage, operate, or maintain a dispatch facility;
2. employ staff, including a director, and set their duties;
3. establish offices, where necessary, in the towns;
4. retain, by contract, or employ counsel, auditors, engineers, private consultants, and advisors;
5. sue and be sued;
6. have a seal and alter it;
7. make and alter bylaws and rules and regulations to govern the exercise of its powers;
8. conduct hearings, examinations, and investigations as necessary and appropriate to operate and fulfill its responsibilities;
9. obtain access to public records and apply for subpoena, if necessary, to produce books, papers, records, and other data;
10. charge reasonable fees for its services and waive, suspend, reduce, or otherwise modify such fees, provided the fees apply uniformly to each;
11. charge member municipalities for dispatch services provided to all users, in accordance with the authority's criteria;
12. purchase, lease, or rent real and personal property;
13. appoint advisory councils;
14. otherwise do all things necessary to perform its duties, fulfill its obligations, conduct its operations, maintain its working relationship with the state,

- municipalities, regions, and people, and conduct a comprehensive regional dispatching program in accordance with the bill, law, and regulations;
15. determine the location and character of any project (i.e., a regional dispatch facility) to be developed under the bill, subject to applicable statutes and regulations;
 16. own, manage, lease, and use real property or any interest therein;
 17. mortgage or otherwise encumber any project when the authority believes it necessary to achieve the bill's purposes;
 18. grant options to purchase, or to renew a lease for, any authority project on such terms as the authority determines to be reasonable;
 19. acquire by purchase, gift, or transfer, or by condemnation for public purposes, and manage and operate, hold, and dispose of real property and, subject to agreement with lessors or lessees, develop or alter such property to enhance its value and usefulness;
 20. make short and long-range plans for regional dispatching;
 21. design or provide for the design of the authority's projects, including the alteration, reconstruction, improvement, or enlargement of existing facilities;
 22. construct, acquire, alter, reconstruct, improve, or enlarge the authority's projects;
 23. contract with other municipalities, municipal, state, and regional authorities; state and federal agencies; and private entities to provide dispatching services in accordance with the bill and to plan, design, construct, manage, operate, and maintain facilities on their behalf;
 24. design and construct improvements or alterations on properties which it owns or operates by contract on behalf of other municipal or regional authorities, state agencies, or other municipalities;
 25. contract with private firms or consortia to construct facilities and obtain professional, technical, and other services;
 26. accept gifts, grants, or loans from public or private sources and federal loans or grants to carry out its purposes; and
 27. in connection with the sale, purchase, receipt, lease, exchange, other disposition, or acquisition of a project or real property, indemnify and immunize any person, including indemnifying them against state, local, or federal taxation associated with ownership or a project or of real property.

CONTRACTS (§ 3)

The authority may enter into any contracts authorized under the bill on either a negotiated or an open-bid basis. It may select the type of contract it deems most prudent, considering the scope of work, associated management complexities, extent of current and future technological development, and best interests of the three towns. It must determine the terms and conditions of such contracts, and the fees or other compensation to be paid under them.

TAX EXEMPTION (§ 4)

The bill exempts the dispatch authority and its projects, property, and money from state and local taxes and assessments, except for estate and gift taxes. But it allows the authority to make PILOT payments for property acquired by it or on its behalf. The authority and its projects, property, and money are not obligated, liable, or subject to any lien to enforce PILOT payments.

Any real or personal property leased by the authority for a project under the bill that would otherwise be subject to property taxes is exempt from such taxes if the property is the subject of a PILOT agreement. Any lessee or operator of the project who paid taxes due under such agreement cannot be required to pay any taxes on which a PILOT has been made to the town.

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